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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

KRISTIN K. MAYES - Chairman
GARY PIERCE
PAUL NEWMAN
SANDRA D. KENNEDY
BOB STUMP

2010 DEC -2 P 2:28

Arizona Corporation Commission

DOCKETED

DEC 2 2010

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IN THE MATTER OF THE JOINT NOTICE AND
APPLICATION OF QWEST CORPORATION,
QWEST COMMUNICATIONS COMPANY, LLC,
QWEST LD CORP., EMBARQ COMMUNICATIONS,
INC. D/B/A CENTURY LINK COMMUNICATIONS,
EMBARQ PAYPHONE SERVICES, INC. D/B/A
CENTURYLINK, AND CENTURYTEL SOLUTIONS,
LLC, FOR APPROVAL OF THE PROPOSED
MERGER OF THEIR PARENT CORPORATIONS,
QWEST COMMUNICATIONS INTERNATIONAL
INC., AND CENTURYTEL, INC.

DOCKET NO. T-01051B-10-0194
T-02811B-10-0194
T-04190A-10-0194
T-20443A-10-0194
T-03555A-10-0194
T-03902A-10-0194

PROCEDURAL ORDER

BY THE COMMISSION:

On May 13, 2010, Qwest Corporation, Qwest Communications Company, LLC, Qwest LD Corp., Embarq Communications, Inc. d/b/a CenturyLink Communications, Embarq Payphone Services, Inc. d/b/a CenturyLink, and CenturyTel Solutions, LLC (together, the "Joint Applicants"), filed with the Arizona Corporation Commission ("Commission") a joint application for approval of the proposed merger of the Applicants' respective parent corporations, Qwest Communication International Inc. and CenturyTel, Inc. ("Joint Application").

On July 2, 2010, a Procedural Order was issued setting the matter for hearing beginning November 15, 2010. The hearing was expected to continue on November 16, 19, 30 and December 2, 2010.

During the scheduled Pre-hearing Conference on November 12, 2010, the parties indicated that they wished to enter into settlement negotiations and hoped to use the dates set for hearing for that purpose. Accordingly, the parties conducted settlement discussions during the week of November 15, 2010.

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1 During a Procedural Conference held on November 19, 2010, the parties advised the
2 Administrative Law Judge that certain, but not all, of the parties had reached a settlement. As such,
3 the parties requested that the remaining dates set for the hearing on the Joint Application be vacated.

4 On November 23, 2010, a Procedural Order was issued setting a hearing on the settlement
5 agreement, and establishing deadlines for filing of testimony in support of, and in opposition to, the
6 settlement agreement.

7 On December 1, 2010, the non-settling CLECs filed a Motion for Clarification of Procedural
8 Order ("Motion"). In the Motion, the non-settling CLECs state:

9 In the second ordering paragraph, the Procedural Order references a "hearing on the
10 settlement agreement." Non-settling CLEC parties interpret this to mean a hearing on the
11 Settlement Agreement and a simultaneous hearing (for non-settling parties) on the Joint
12 Notice and Application of Qwest Corporations and CenturyLink for Approval of the
13 Proposed Merger ("Joint Application"). Specifically, the non-settling CLEC parties
14 expect that the hearing scheduled to being on December 13, 2010,...will address both
15 their opposition to the Settlement Agreement and their respective positions on the merits
16 of the Joint Application, including the need for conditions beyond those set forth in the
17 Settlement Agreement.

18 Although certain parties have reached settlements with the Joint Applicants, this does not
19 preclude those parties who have not settled from presenting evidence either in opposition to the
20 settlement agreement or testimony in support of their respective positions and recommendations on
21 the overall transaction. The existence of settlement agreement does not negate the existence of the
22 Joint Application and/or the prior testimony already part of the record and the entire record shall be
23 subject to examination at the hearing, as necessary, to determine whether the merger and the
24 settlement agreement are in the public interest; which public interest includes that of the non-settling
25 CLECs. This was the intent of the November 23, 2010, Procedural Order.

26 IT IS THEREFORE ORDERED that the hearing on the settlement agreement shall include
27 testimony in favor of, and opposed to, the settlement agreement, as well as testimony regarding the
28 Joint Application and the established record.

IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113-Unauthorized
Communications) continues to apply to this proceeding as the matter is set for public hearing.

IT IS FURTHER ORDERED that all parties must comply with Rules 31 and 38 of the Rules
of the Arizona Supreme Court and A.R.S. § 40-243 with respect to practice of law and admission *pro*

1 *hac vice.*

2 IT IS FURTHER ORDERED that withdrawal of representation must be made in compliance
3 with A.A.C. R14-3-104(E) and Rule 1.16 of the Rules of Professional Conduct (under Rule 42 of the
4 Rules of Arizona Supreme Court). Representation before the Commission includes appearances at all
5 hearings and procedural conferences, as well as all Open Meetings for which the matter is scheduled
6 for discussion, unless counsel has previously been granted permission to withdraw by the
7 Administrative Law Judge or the Commission.

8 IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113 - Unauthorized
9 Communications) applies to this proceeding and shall remain in effect until the Commission's
10 Decision in this matter is final and non-appealable.

11 IT IS FURTHER ORDERED that the Administrative Law Judge may rescind, alter, amend,
12 or waive any portion of this Procedural Order either by subsequent Procedural Order or by ruling at
13 hearing.

14 DATED this 2nd day of December, 2010.

15 *Belinda Martin / by D. Niles*
16 BELINDA A. MARTIN
17 ADMINISTRATIVE LAW JUDGE

18 Copies of the foregoing mailed
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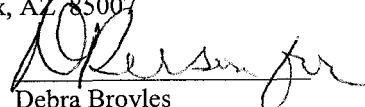
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